
7. PHASING PLAN

The phasing plan is divided into three categories: 0-5 Years, 6-10 Years, and 11-20 Years. The final phase is longer as it is more difficult to project actual conditions further into the future. With this in mind, the phasing plan should be reviewed annually as a part of the City's budgeting process to review goals and any significant changes to funding availability. In addition a more thorough review of the master plan should occur at least once every five years to ensure that goals are being achieved and that the master plan remains consistent with future unforeseen trends and community needs.

The first phase of the master plan focuses on land acquisition, finalizing design programs and business plans, establishing reliable long-term operations and maintenance funding sources, and beginning construction on some of the proposed facilities, including the aquatics center, community recreation center and the sports park/soccer complex. These facilities were selected for the first phase given the urgent need to address current facility deficits in these areas.

Phase 1: 0-5 Years

Acquisition

Complete land acquisition where needed for special use facilities and parks as noted below:

- Aquatics Center*
- Community Recreation Center* (Community Park Expansion)
- Sports Park/Soccer Complex*
- Skate Park
- BMX Park
- 1 new neighborhood/school park
- Theater* (pursue acquisition only if justified by business plan)

Master Planning and Design

- Complete site-specific master plans (including business plans where noted by *) for each of the facilities noted above. Business plans for the Aquatics Center and Community Recreation Center should be performed simultaneously and coordinated with each other.
- Complete easement agreements and preliminary trail design for Phase One trails development.

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Construction

Complete Phase 1 Construction for each of the following facilities:

- Aquatics Center (phasing, if needed, to be determined as a part of the business plan)
- Community Recreation Center (phasing, if needed, to be determined as a part of the business plan)
- Community and Cultural Center
- Sports Park/Soccer Complex
- Community Park Improvements
- Permanent Skate Park (assumed complete in one phase)
- Little Llagas Trail/Butterfield Linear Park
- BMX Park (assumed complete in one phase)
- MACSA Expansion

Recreation Programming

- Establish new after school and parks drop-in recreation programs
- Finalize partnerships for recreation programs at new special use facilities based on specific master plan/business plan for each facility
- Expand Recreation Department web-site and update catalog of available recreation programs
- Expand and promote scholarship program for recreation programs
- Establish recreation programs for citizens with disabilities

Miscellaneous

- Establish non-profit "Friends of Morgan Hill Parks and Recreation" foundation to solicit donations and corporate sponsorships. Also consider a memorial fund.
- Evaluate and select options to enhance long-term parks and recreation operations and maintenance funding.

Phase 2: 6-10 Years

Acquisition

- Complete land acquisition for 1-2 additional neighborhood/school parks

Master Planning and Design

- Complete site-specific master plan for one new neighborhood/school park
- Complete easement agreements and preliminary design for Phase 2 Trails

Construction

Complete Phase 2 Construction for each of the following facilities:

- Aquatics Center (if phasing is justified by business plan)

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- Sports Park/Soccer Complex (assumed complete in two phases)
- Community Park Improvements (assumed complete in two phases)
- Community Recreation Center (if phasing is justified by business plan)
- Trails

Complete Phase 1 Construction for each of the following facilities:

- 1 neighborhood/school park (assumed complete in one phase)
- Silveira Park improvements (assumed complete in one phase)
- Dog Park (assumed complete in one phase-may be constructed/funded by County or SCVWD if at a County/SCVWD facility)

Recreation programming

- Evaluate and update partnerships for recreation programs at all facilities
- Update Recreation Division web-site and catalog of available recreation programs
- Continue scholarship program for recreation programs
- Evaluate and update recreation programs for citizens with disabilities

Miscellaneous

- Continue to support non-profit "Friends of Morgan Hill Parks and Recreation" foundation to solicit donations and corporate sponsorships
- Continue to identify additional funding sources for long-term operations and maintenance

Phase 3: 11-20 Years

Acquisition

Complete land acquisition for 1 additional neighborhood/school park

Master planning and design

Complete site-specific master plan for 1-2 new neighborhood/school parks

Construction

Complete construction for facilities not completed in Phase 1 and 2:

- Theater
- Renovations at existing parks
- Trails
- Neighborhood/school parks
- San Pedro Percolation Ponds improvements

Recreation programming

- Evaluate and update partnerships for recreation programs at all facilities.
- Update Recreation Division web-site and catalog of available recreation programs
- Continue scholarship program for recreation programs

Miscellaneous

- Continue to support non-profit “Friends of Morgan Hill Parks and Recreation” foundation to solicit donations and corporate sponsorships.
- Continue to identify additional funding sources for long-term operations and maintenance.

Phase 1 Operations and Maintenance Implications

The major facilities in Phase 1 have been selected primarily based on community need, but also based on facilities with a greater potential to off-set some long-term costs through user fees. These facilities should only be built after completion of business plans which clearly identify operations and maintenance costs and revenue sources.

Operations and maintenance costs will increase as more facilities are constructed and become available for use. Given general timelines for land acquisition, environmental review and construction, one could assume that most of the facilities will not be available for use until near the end of the first phase, or the beginning of the second phase.

Projected revenues and expenses can also vary for each facility, with initial years running at a higher loss than subsequent years. For example, based on the *Market and Financial Feasibility Study*, prepared by Bay Area Economics (1998), the community and cultural center is projected to operate at an annual loss of about \$100,000 for at least three years. After this initial period, the center should at least pay for itself. The following table estimates Phase 1 operations and maintenance expenses at build-out based on the table of net operations and maintenance expenses found in Chapter 6.

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*Table 7.1
Projected Net Operations and Maintenance
Expenses at Phase 1 Build-Out*

| <u>Description</u> | <u>O&M Balance After User Fee Recovery</u> | |
|--|--|--------------------|
| Once again, this chart reinforces the need to develop business plans for each major new facility that identify potential long-term operations and maintenance expenses along with revenue generating potential through fees and other sources. | | |
| New Neighborhood Parks (if new park at 5 acres) | \$66,500 | \$66,500 |
| Sports Park/Soccer Complex (assumed 50% complete) | \$70,000 | \$175,000 |
| Aquatics Center | \$0 | \$375,000 |
| Community and Cultural Center | \$0 | \$100,000 |
| Community Recreation Center | \$100,000 | \$500,000 |
| Trails (includes Butterfield Linear Park) | \$10,800 | \$16,000 |
| Skate Park | -\$12,500 | \$10,000 |
| BMX Park | \$0 | \$10,000 |
| Miscellaneous Recreation Programs | \$37,500 | \$75,000 |
| Subtotal | \$272,300 | \$1,327,500 |
| Administrative Overhead @ 15% | \$40,845 | \$199,125 |
| Subtotal | \$313,145 | \$1,526,625 |
| Existing Recreation and Parks Budget | \$1,049,200 | \$1,049,200 |
| TOTAL | \$1,362,345 | \$2,575,825 |